



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-570-057]

#### **Certain Tool Chests and Cabinets from the People's Republic of China: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** As a result of this expedited sunset review, the U.S. Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on certain tool chests and cabinets (tool chests and cabinets) from the People's Republic of China (China) would be likely to lead to continuation or recurrence of countervailable subsidies at the levels indicated in the "Final Results of Sunset Review" section of this notice.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Claudia Cott, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4270.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

On January 24, 2018, Commerce published in the *Federal Register* the CVD order on tool chests from China.<sup>1</sup> On December 1, 2022, Commerce published in the *Federal Register* the *Initiation Notice* of the first five-year sunset review of the *Order* pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).<sup>2</sup> In accordance with 19 CFR 351.218(d)(1)(i) and (ii), Commerce received a timely notice of intent to participate in this sunset review from Stanley

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<sup>1</sup> See *Certain Tool Chests and Cabinets from the People's Republic of China: Countervailing Duty Order*, 83 FR 3299 (January 24, 2018) (*Order*).

<sup>2</sup> See *Initiation of Five-Year (Sunset) Reviews*, 87 FR 73757 (December 1, 2022) (*Initiation Notice*).

Black & Decker (the domestic interested party) within 15 days after the date of publication of the *Initiation Notice*.<sup>3</sup> The domestic interested party claimed interested party status under section 771(9)(C) of the Act as a producer of a domestic like product in the United States.<sup>4</sup>

Commerce received a timely and adequate substantive response to the *Initiation Notice* from the domestic interested party within the 30-day period specified in 19 CFR 351.218(d)(3)(i).<sup>5</sup> Commerce received no substantive responses from any other interested parties, including the Government of China, nor was a hearing requested. On January 25, 2023, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from other interested parties.<sup>6</sup> As a result, in accordance with section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited, *i.e.*, 120-day, sunset review of the *Order*.

#### Scope of the *Order*

The scope of the *Order* covers certain metal tool chests and tool cabinets, with drawers, from China. The scope covers all metal tool chests and cabinets, including top chests, intermediate chests, tool cabinets and side cabinets, storage units, mobile work benches, and work stations and that have the following physical characteristics:

- (1) a body made of carbon, alloy, or stainless steel and/or other metals;
- (2) two or more drawers for storage in each individual unit;
- (3) a width (side to side) exceeding 15 inches for side cabinets and exceeding 21 inches for all other individual units but not exceeding 60 inches;
- (4) a body depth (front to back) exceeding 10 inches but not exceeding 24 inches; and

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<sup>3</sup> See Domestic Interested Party's Letter, "Five Year ("Sunset") Review of the Countervailing Duty Order on Tool Chests and Cabinets from China – Domestic Interested Party's Notice of Intent to Participate," dated December 15, 2022. The petitioner in the underlying investigation, Waterloo Industries Inc. (Waterloo), was acquired by Stanley Black & Decker Corporation on July 28, 2017, and now operates under the Stanley Black & Decker name.

<sup>4</sup> *Id.*

<sup>5</sup> See Domestic Interested Party's Letter, "Five Year ("Sunset") Review of the Countervailing Duty Order on Tool Chests and Cabinets from China – Domestic Interested Party's Substantive Response," dated January 3, 2023 (Substantive Response).

<sup>6</sup> See Commerce's Letter, "Sunset Reviews Initiated December 1, 2022," dated January 25, 2023.

(5) prepackaged for retail sale.

For purposes of this scope, the width parameter applies to each individual unit, *i.e.*, each individual top chest, intermediate top chest, tool cabinet, side cabinet, storage unit, mobile work bench, and work station. Merchandise subject to the *Order* is classified under HTSUS categories 9403.20.0021, 9403.20.0026, 9403.20.0030, 9403.20.0080, 9403.20.0090, and 7326.90.8688, but may also be classified under HTSUS category 7326.90.3500. While HTSUS subheadings are provided for convenience and Customs purposes, the written description of the scope of the Order is dispositive. A full description of the scope of the *Order* is contained in the Issues and Decision Memorandum.<sup>7</sup>

#### Analysis of Comments Received

All issues raised in this sunset review are addressed in the Issues and Decision Memorandum. A list of topics discussed in the Issues and Decision Memorandum is included as Appendix I to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

#### Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that revocation of the *Order* would be likely to lead to continuation or recurrence of a countervailable subsidy at the rates listed in Appendix II to this notice.

#### Administrative Protective Order

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<sup>7</sup> See Memorandum, "Issues and Decision Memorandum for the Final Results of the Expedited First Sunset Review of the Countervailing Duty Order on Certain Tool Chests and Cabinets from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

This notice serves as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

Commerce is issuing and publishing the final results and notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act, and 19 CFR 351.218.

Dated: March 24, 2023.

**Lisa W. Wang,**  
*Assistant Secretary*  
*for Enforcement and Compliance.*

## **Appendix I**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. History of the *Order*
- V. Legal Framework
- VI. Discussion of the Issues
  - 1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
  - 2. Net Countervailable Subsidy Likely to Prevail
  - 3. Nature of the Subsidy
- VII. Final Results of Sunset Review
- VIII. Recommendation

## Appendix II

Exporter/Producer	Subsidy Rate (percent <i>ad valorem</i> )
Jiangsu Tongrun Equipment Technology Co., Ltd. <sup>8</sup>	15.52
Zhongshan Geelong Manufacturing Co., Ltd.	14.46
Allround Hardware Co., Ltd.	96.15
Beijing Kang Jie Kong International Cargo Agent Co., Ltd.	96.15
Changshu Zhongcheng Tool Box Co., Ltd.	14.82
Changzhou City Hongfei Metalwork Corporation	96.15
Changzhou Machan Steel Furniture Co., Ltd.	14.82
China National Electronics Import and Export Ningbo Co.	96.15
Foshan Lishida Metal Products Co., Ltd.	96.15
Gem-Year Industrial Co., Ltd.	96.15
Guangdong Hisense Home Appliances Co., Ltd.	14.82
Guerjie Enterprise Co., Ltd.	96.15
Haiyan Dingfeng Fasteners Ltd.	96.15
Hangzhou Xiaoshan Import and Export Trading Co., Ltd.	96.15
Hyxion Metal Industry	14.82
Jiaxing Pinyou Import & Export Co., Ltd.	96.15
Jin Rong Hua Le Metal Manufactures Co., Ltd.	14.82
Jinhua JG Tools Manufacturing Co.	14.82
Jinhua Yahu Tools Co., Ltd.	14.82
Keesung Manufacturing Co., Ltd.	14.82
Kingstar Tools Co., Ltd.	96.15
Liyang Flying Industry Co., Ltd.	96.15
Meridian International Co., Ltd.	14.82
Ningbo Better Design Industry Co., Ltd.	96.15
Ningbo Hualei Tool Co., Ltd.	96.15

<sup>8</sup> Jiangsu Tongrun Equipment Technology Co., Ltd.'s cross-owned affiliates include the following entities: Changshu Jack Factory; Changshu Tongrun Taron Import and Export Co., Ltd. (also known as Changshu Tongrun Equipment Co., Ltd.); Changshu Tongrun Mechanical & Electrical Equipment Manufacture Co., Ltd.; Changshu Taron Machinery Equipment Manufacturing Co., Ltd.; and Changshu General Electrical Factory Co., Ltd.

Ningbo Jiufeng Electronic Tools	96.15
Ningbo Safewell International Holding Corp.	14.82
Ningbo Xiunan International Co., Ltd.	96.15
Pinghu Chenda Storage Office Equipment Co., Ltd	14.82
Pooke Technology Co., Ltd.	14.82
Shanghai All-Fast International Trade Co., Ltd.	14.82
Shanghai All-Hop Industry Co., Ltd.	14.82
Shanghai Delta International Trading	96.15
Shanghai Fairlong International Trading Co., Ltd.	96.15
Shanghai ITPC Hardware Co., Ltd.	14.82
Shanghai Legsteel Metal Products Co., Ltd.	96.15
Shanghai Tung Hsing Technology Inc.	96.15
Shining Golden Yida Welding & Cutting Machinery Manufacture Ltd.	96.15
Suzhou Aomeijia Metallic Products Co., Ltd.	96.15
Suzhou Goldenline Machinery Co., Ltd.	96.15
Suzhou Xindadi Hardware Co., Ltd.	14.82
Taixing Hutchin Mfg. Co., Ltd.	14.82
Tong Ming Enterprise (Jiaxing) Co., Ltd.	96.15
Trantex Product (Zhong Shan) Co., Ltd.	14.82
Wuyi Yunlin Steel Products Co., Ltd.	96.15
Yangzhou Huayu Pipe Fitting Co., Ltd.	96.15
Yangzhou Triple Harvest Power Tools Limited	14.82
Zhangjiagang Houfeng Machinery Co., Ltd.	96.15
Zhejiang KC Mechanical & Electrical	96.15
Zhejiang Zhenglian Corp.	96.15
Zhuhai Shichang Metals Ltd.	96.15
All Others	14.82